

ORIGINAL
EXCEPTION



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COMMISSIONERS

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AZ CORP COMMISSION
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BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION
OF WOODRUFF WATER COMPANY, INC.
FOR A CERTIFICATE OF CONVENIENCE
AND NECESSITY TO PROVIDE WATER
SERVICE IN PINAL COUNTY, ARIZONA.

DOCKET NO. W-04264A-04-0438

DOCKET NO. SW-04265A-04-0439

DOCKET NO. W-01445A-04-0755

IN THE MATTER OF THE APPLICATION
OF WOODRUFF UTILITY COMPANY,
INC. FOR A CERTIFICATE OF
CONVENIENCE AND NECESSITY TO
PROVIDE SEWER SERVICE IN PINAL
COUNTY, ARIZONA.

**ARIZONA WATER COMPANY'S
EXCEPTIONS TO
RECOMMENDED OPINION AND
ORDER**

IN THE MATTER OF THE APPLICATION
OF ARIZONA WATER COMPANY, AN
ARIZONA CORPORATION, TO EXTEND
ITS EXISTING CERTIFICATES OF
CONVENIENCE AND NECESSITY AT
CASA GRANDE AND COOLIDGE, PINAL
COUNTY, ARIZONA.

Pursuant to the December 13, 2005 notice from Executive Director Brian C. McNeil and subsequent procedural order, Arizona Water Company hereby files its exceptions to the Recommended Opinion and Order of Administrative Law Judge Marc E. Stern issued on December 13, 2005.

1 Arizona Water Company believes that the proposed findings and conclusions are
2 well-founded and well-supported in fact and law, given the thoroughness of the record and
3 positions presented by the parties. Even so, Arizona Water Company invites the
4 Commission to take the opportunity to affirm its policies and procedures to avoid the
5 proliferation of non-viable water systems. Additionally, Arizona Water Company submits a
6 few minor non-substantive exceptions designed to clarify and correct the Recommended
7 Opinion and Order before it is adopted by the Commission. Nevertheless, the result in this
8 thoroughly considered matter is appropriate and correct, and the Recommended Order
9 should be forthwith granted by the Commission.
10

11 1. Findings of Fact, ¶ 38, p.10, l. 28: “quality” should be “quantity.”

12 2. Findings of Fact ¶¶ 69, 70 and 114: These proposed findings relate to
13 Commission Decision No. 62993 (November 3, 2000), which approved Staff
14 recommendations for avoiding the proliferation of non-viable water systems by requiring
15 that:

16 The application for a new CC&N must show that an existing water company cannot
17 or will not serve the area being applied for. This showing must be made by
18 submitting service rejection letters from all of the “A” size water companies in the
19 state (there are 3) and at least five of the “B” size companies (there are 20). The five
20 B size companies contacted should include the B size companies that are
21 geographically closest to the applicant. The application must also be accompanied
22 by service rejection letters from all existing water companies within five miles of the
23 area being requested. In addition, the rejection letters must be accompanied by the
24 corresponding request for service that was made to each of the existing water
25 companies by the applicant.

26 Decision No. 62993, Finding of Fact No. 8a (November 3, 2000). This Finding of Fact was
27 approved in the Decision: “THEREFORE, IT IS ORDERED that the Commission approve
28 Staff’s recommendations in the above findings of fact.” Decision No. 62993, ordering
paragraph number one, page 12.

1 In adopting the Recommended Opinion and Order, the Commission should also take
2 the opportunity to affirm that this decision in this case is fully consistent with the general
3 policy principles which the Commission approved in Decision No. 62993, which favor
4 water service being provided to new territory by existing Class A water companies (like
5 Arizona Water Company in this case) that are geographically closest to that territory.

6 Accordingly, the Commission should include the following as part of its final order:

7 This decision is fully consistent with the policy principles set forth in
8 Finding of Fact No. 8 approved by the Commission in Decision No.
9 62993, dated November 3, 2000.

10 3. Proposed Findings of Fact ¶¶ 82 and 102 (p. 17, l. 4 and p. 19, l. 22): The new
11 minimum arsenic standard is 10 ppb, not 5 ppb.

12 4. Proposed Findings of Fact ¶ 109 (p. 20, l. 13): The word "initially" should be
13 added in between "should" and "fund", in order to properly describe the financing methods
14 proposed by Arizona Water Company.

15 DATED this 9th day of January, 2006.

16 BRYAN CAVE LLP

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24 **ORIGINAL** and 17 **COPIES** of the foregoing
25 filed this 9th day of January, 2006 with:

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COPY of the foregoing hand-
delivered or mailed this 9th day
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